Cancellation of AI flights for Haj operations

*98. SHRI SUNDER SINGH BHANDARI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) how many Air India flights have been delayed or cancelled because of Haj operations in 1996-97?

(b) in how many cases alternate arrangements had to be made;

(c) what is the total amount of loss incurred; and

(d) why the new brouchures for 1997-98 have not been prepared so far?

THE MINISTER OF CIVIL AVIATION (SHRI C.M. IBRAHIM): (a) During the period from March to May, 1997, 35 flights to Toronto and 36 flights to Europe were curtailed. Besides, 22 flights were downgraded from B747-200 to A310 on Hong Kong/Osaka route.

(b) and (c) Alternate arrangements were made for 1570 passengers Ex-Frankfurt and 745 passengers Ex-Paris by routing them over Air India's flights Ex-Rome/London. Besides, 708 passengers from Osaka were transferred to other carriers.

Haj operations, 1997 were undertaken on the basis of "no profit-no loss' to Air India. However, the actual financial results can only be calculated after some time.

(d) The brouchures for budget tours to India have already been distributed by Air India to all the stations on the network.

IFC Investment in Orissa

*99. SHRI SANTAN BISI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the International Finance Corporation (IFC) has shown keen interest in development of Orissa; and

(b) if so, the details of proposed investment, sector-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) International Finance Corporation (IFC) sees substantial opportunity for private sector development in Orissa in the wake of rapid pace of regulatory reforms in Orissa. IFC officials had recently met the main development Corporations of Orissa viz. Orissa Mining Corporation, Industrial Promotion and Investment Corporation of Orissa Ltd. and Industrial Development Corporation of Orissa Ltd. in this regard.

(b) IFC is currently working on projects in the areas of development of private ports, alumina and steel plants and a metallurgical grade coke project. In future, IFC expects to be involved in core areas such as infrastructure an basic industries.

Poor Rate of Recovery of Loans to Corporate Bodies by Banks

*100. SHRI NARENDRA MOHAN: Will the Minister of FINANCE be pleased to state:

(a) whether the rate of recovery of funds loaned to corporate bodies by public sector banks and other similar financial institutions is poor;

(b) if so, whether this is due to inefficient functioning of debt recovery tribunals;

(c) if so, what steps are proposed to be taken to activate debt recovery processes; and

(d) how much funds loaned to corporate bodies have remained unrecovered and are now a bad debt, during the last three years and since the banks were nationalised?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATPAL MAHARAJ): (a) Based on the information collected from the Financial Institutions (FIs), Reserve Bank of India (RBI) have reported that the position of recovery of funds loaned to corporate bodies has been generally satisfactory. However, RBI have reported that their present data base does not generates/specific information relating to funds loaned by banks to corporates separately and the rate of recovery of the funds advanced to this category of borrowers.

(b) and (c) The Recovery of Debts due to Banks and Financial Institutions Act, 1993 was enacted on 27th August, 1993. Eight Debts Recovery Tribunals (DRTs) have been established out of the ten Tribunals proposed to be established. Five DRTs were established in the year 1994, one in the year 1996 and remaining two in the year 1997. The slow progress in recovery of debts due to banks through DRTs is due to the fact that right from the date of establishment, the DRTs have been plagued with various problems like write petitions filed in various High Courts, lack of adequate infrastructure which includes inadequate experienced and skilled man-power, inadequate space, non-appointment of Recovery Officers etc. As a result of the write petitions filed in various High Courts, the five DRTs, though established in the year 1994, actually functioned since 1996, when Supreme Court directed in March 1996 that notwithstanding any stay order passed on any writ petition, the DRTs shall resume their functions. Further, DRTs at Chennai, Guwahati and Patna have been established very recently. The disposal of cases by DRTs is expected to improve in the near future with the improvement in the infrastructure and experience gained.

(d) As indicated in reply to part (a) RBI have reported that their present data base does not generate specific information relating to funds loaned by banks to corporates separately and the rate of recovery of the funds advanced to this category of borrowers. The details of non-performing assets of public sector banks for the years 1993-94, 1994-95 and 1995-96 are at Annexure [*See* appendix 181, Annexure No. 20]. The details of recovery in NPAs (cash recovery) of public sector banks for these years is at the other Annexure.

[*See* Appendix 181, Annexure No. 21]

WRITTEN ANSWERS TO UNSTARRED QUESTIONS

Modification of Civil Aviation Policy

621. SHRI M.A. BABY: Will the Minister of CIVIL AVIATION be pleased to state:

(a) Whether any change or modification is contemplated with regard to the Civil Aviation Policy;

(b) if so, the details thereof; and

(c) the present status of the proposal submitted by the TATA-Singapore Airlines?

THE MINISTER OF CIVIL AVIATION (SHRI C.M. IBRAHIM): (a) and (b) A comprehensive long-term national aviation policy with a perspective of around 10 to 15 years covering all sectors such as infrastructure development, air safety, air traffic management etc. is under preparation. Details can be provided only aftter the policy is finalized.

(c) The joint-venture proposal of M/s. Tata Singapore Airlines is not in accordance with the existing policy on domestic air transport services. It has not, therefore, been approved. There is no proposal to modify the decision relating to investment by foreign airlines in the euity of domestic airlines.

Private Domestic Airlines Seeking Approval from Government to Fly on the International Routes

622. SHRI AKHILESH DAS: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that some private domestic airlines have sought approval from Government to fly on the International routes;

(b) if so, the names of these airlines and whether Government have taken any decision in this regard; and

(c) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF CIVIL AVIATION (SHRI C.M. IBRAHIM): (a) and (b) Requests have been received from M/s. Sahara Airlines and M/s. Elebee Airlines for permission to operate on international routes. Similar requests were also received earlier from M/s. East West Airlines and M/s. Modi Luft, who are at present not operating.

(c) For the present, the Government do not propose to designate any private airline for operation on international sectors.